

CLAIMS:

- 1 1. A tax-advantaged investment fund comprising:
2 an ownership interest in a plurality of wind energy projects having a
3 return comprising a cash flow distribution, an accelerated depreciation deduction, a
4 plurality of tax credits, and a residual value of the projects; and
5 capital for investing in said ownership interest in the plurality of wind
6 energy projects, wherein a first portion of said capital comprises debt from at least
7 one lender and a second portion of said capital comprises equity from a plurality of
8 investors, wherein said plurality of investors each receive a portion of the return.
- 1 2. The tax-advantaged investment fund of claim 1, wherein the
2 plurality of investors comprise a plurality of equity members that receive a portion of
3 the return in accordance with a sharing ratio for a tax-advantaged period of the fund.
- 1 3. The tax-advantaged investment fund of claim 2, wherein said
2 tax-advantaged period comprises a period of time provided by a statute for the
3 provision of the plurality of tax credits.
- 1 4. The tax-advantaged investment fund of claim 2, wherein said
2 sharing ratio comprises distribution for the tax-advantaged period of the fund in
3 proportion to each equity member's respective capital contribution.
- 1 5. The tax-advantaged investment fund of claim 1, wherein the at
2 least one lender receives repayment based on a dual tranche structure.
- 1 6. The investment fund of claim 5 wherein said dual tranche
2 structure comprises:
3 a first portion of the debt having a first amortization period of a fixed
4 number of years based on the cash flow of the plurality of wind energy projects; and
5 a second portion of the debt having a second amortization period based
6 in part upon the timing of the capital that is contributed from the plurality of investors.
- 1 7. The tax-advantaged investment fund of claim 1, wherein said at
2 least one lender is repaid from a portion of the cash flow from the plurality of wind
3 energy projects and/or the capital of the tax-advantaged investment fund.

1 8. The tax-advantaged investment fund of claim 1 comprising a
2 plurality of business entities, each business entity having an ownership interest in at
3 least one of the plurality of wind energy projects, wherein the fund has an ownership
4 interest in the plurality of business entities but not directly in the plurality of wind
5 energy projects.

1 9. The investment fund of claim 8 wherein said ownership interest
2 in the plurality of business entities comprises a 100% ownership interest.

1 10. The investment fund of claim 8 wherein said plurality of
2 business entities comprise business forms that enable pass-through tax treatment.

1 11. The investment fund of claim 1 wherein said tax-advantaged
2 investment fund comprises a business form that enables pass-through tax treatment.

1 12. The investment fund of claim 1 wherein said ownership interest
2 in a plurality of wind energy projects comprises a 100% ownership interest.

1 13. The investment fund of claim 1 wherein said plurality of
2 investors comprise:
3 a plurality of investing members that provide a first portion of the
4 capital, wherein said investing members receive a first shared portion of the return for
5 the tax-advantaged years of the fund; and
6 at least one managing member that provides a second portion of the
7 capital, wherein said at least one managing member administers the fund and receives
8 a second shared portion of the return for the tax-advantaged years of the fund.

1 14. The investment fund of claim 1, wherein said wind energy
2 projects qualify for a generation of a plurality of Production Tax Credits in
3 accordance with Subchapter 45 of the Internal Revenue Code of 1986 as amended, or
4 any successor statute thereto.

1 15. The tax-advantaged investment fund of claim 1, wherein said
2 plurality of wind energy projects is geographically diverse.

1 16. A tax-advantaged investment fund comprising:

2 an ownership interest in a plurality of wind energy projects having a
3 return comprising a cash flow distribution, an accelerated depreciation deduction, a
4 plurality of tax credits, and residual value of the wind energy projects;

5 equity capital for investing in said ownership interest in a plurality of
6 business entities comprising:

7 a plurality of investing members that provide a first portion of
8 the equity capital, wherein said investing members receive a portion of the return in
9 accordance with a first sharing ratio for a tax-advantaged period of the fund; and

10 at least one managing member that provides a second portion of
11 the equity capital, wherein said at least one managing member administers the fund
12 and receives a portion of the return in accordance with a second sharing ratio for the
13 tax-advantaged period of the fund; and

14 at least one lender that provides a debt component either directly to the
15 fund and/or one of the plurality of wind projects directly and receives a distribution
16 from a portion of the cash flow from said wind energy projects and/or said fund.

1 17. The tax-advantaged investment fund of claim 16, wherein said
2 at least one lender receives repayment based on a dual tranche structure.

1 18. The tax-advantaged investment fund of claim 16, wherein said
2 dual tranche structure comprises:

3 a first portion of the debt having a first amortization period of a fixed
4 number of years based on the cash flow of the plurality of wind energy projects; and

5 a second portion of the debt having a second amortization period based
6 in part upon the timing of the equity capital that is contributed from the plurality of
7 investors.

1 19. A method for creating a tax-advantaged investment fund
2 comprising:

3 forming an entity having a business form that enables the entity to
4 passthrough tax benefits;

5 establishing the tax-advantaged investment fund having a plurality of
6 investors comprising a plurality of equity members;

7 collecting capital from the plurality of investors; and

8 using the capital to purchase a plurality of wind energy projects having
9 a return comprising a cash flow distribution, accelerated depreciation deduction and
10 tax credits.

1 20. The method of claim 19 further comprising:
2 collecting a debt component from at least one lender; and
3 providing said debt component to said tax-advantaged investment fund
4 to purchase a plurality of wind energy projects.

1 21. The method of claim 19 further comprising:
2 collecting a debt component from at least one lender; and
3 providing said debt component directly to one of a plurality of wind
4 energy projects.

1 22. The method of claim 21, wherein said debt component
2 comprises a dual tranche debt structure comprising:
3 a first portion of debt having a first amortization period of a fixed
4 number of years based on the cash flow of the plurality of wind energy projects; and
5 a second portion of debt having a second amortization period based in
6 part upon the timing of the capital that is contributed from the plurality of investors.

1 23. The method of claim 22 further comprising the act of repaying
2 the debt component from cash flow generated by the plurality of wind energy projects
3 and/or the capital of the fund.

1 24. The method of claim 19 further comprising providing the
2 equity members a portion of the return in accordance with a sharing ratio for a tax-
3 advantaged period of the fund.

1 25. The method of claim 19 further comprising an act of providing
2 the capital to a plurality of wholly owned business entities in portions, wherein the
3 wholly owned business entities perform the act of using the capital to purchase a
4 plurality of wind energy projects.

1 26. A method for managing a tax-advantaged investment fund
2 comprising:

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3 establishing the tax-advantaged investment fund having a plurality of
4 investors comprising a plurality of equity members;
5 collecting capital from the plurality of investors;
6 collecting a debt component from at least one lender;
7 determining the identity of a plurality of wind energy projects to
8 purchase;
9 providing the capital and debt to the plurality of wind energy projects
10 having a return comprising a cash flow distribution, an accelerated depreciation
11 deduction and a plurality of tax credits.

1 27. The method of claim 26 further comprising providing the
2 equity members a portion of the return in accordance with a sharing ratio for a tax-
3 advantaged period of the fund.

1 28. The method of claim 26 comprising repaying the debt
2 component from cash flow generated by the plurality of wind energy projects and/or
3 the capital of the fund based on a dual tranche structure.

1 29. A method for investing in a tax-advantaged investment fund
2 comprising:
3 providing capital to the tax-advantaged investment fund for investing
4 in a plurality of wind energy projects having a return comprising a cash flow
5 distribution, an accelerated depreciation deduction and a plurality of tax credits; and
6 receiving a portion of the return in accordance with a sharing ratio for
7 a tax-advantaged period of the fund.

1 30. The method of claim 28 comprising:
2 providing a debt component to the tax-advantaged investment fund for
3 investing in said plurality of wind energy projects; and
4 receiving repayment of said debt component from cash flow generated
5 by the plurality of wind energy projects and/or the capital of the fund based on a dual
6 tranche structure.